

3.2 Population, Housing, and Employment

This section describes the affected environment, analyzes potential impacts, and provides recommendations for mitigation measures for population, housing, and employment.

3.2.1 Affected Environment

Shoreline is known as a great place to live in the central Puget Sound region, based on its strong sense of community, good schools, and many parks and recreation opportunities provided throughout the city.

Existing Population and Trends

Shoreline's overall estimated population in 2015 was 55,439, based on information recently released by the US Census Bureau. Of the total population of Shoreline, an estimated 8,321 people live in the 145th Street Station Subarea (approximately 15.2 percent of the city's population).

For the purposes of environmental analysis, the station subarea population is based on subarea boundaries that extend to the outer boundaries of the Traffic Analysis Zones (TAZs) of the subarea. **Figure 3.2-1** shows these boundaries. See "Population Study Area for Purposes of the FEIS" later in this section.

Shoreline's population increased in the 1980s and 1990s, but remained fairly stable between 2000 and 2010. Although the total population of Shoreline did not increase substantially up to

2010, the city has grown an average of slightly under 1 percent per year since 2010 based on US Census Bureau estimations. In review of the demographic composition of the population for the city as a whole, two trends are occurring: greater race/ethnic diversity and aging of Shoreline's population.

The largest minority population is Asian-American, composed of several subgroups, which collectively made up 15 percent of the population as of the 2010 Census. The African-American population, comprising 2,652 people, had the largest percentage increase, at 45 percent between 2000 and 2010, followed by people of two or more races, at 15 percent. Hispanics may be of any race, and this demographic increased 41 percent to 3,493. Additionally, the number of foreign born residents in Shoreline increased from 17 percent of the population to an estimated 19 percent by 2010, as measured by the American Community Survey (ACS). By 2014 the ACS estimates these populations to be: Asian—7,880 (14.5 percent), Black/African American—3,171 (5.8 percent), two or more races—2,696 (5.0 percent), Hispanic/Latino—4,399 (8.1 percent).

The median age of Shoreline residents increased from 39 in 2000 to 42 in 2010 and dropped slightly to 41.5 by 2014. "Baby Boomers", those born between 1946 and 1964, comprise approximately 30 percent of the population. Shoreline has the second largest percent of people 65 and older among King County cities, at 15.8 percent. Among older adults, the fastest growing segment is people 85 and older, up one-third from 2000.

Families (two or more people related by birth, marriage, or adoption) declined from 65 percent to 61 percent of all

households in Shoreline between 2000 and 2010. Non-family households increased from 35 percent to 39 percent of households. The number of people living in group quarters, such as assisted living facilities or adult family homes, increased by 9 percent between 2000 and 2010 based on the 2010 Census.

Population Growth Trends and Forecasts

The central Puget Sound region is one of the fastest growing metropolitan areas in America. Seattle, Shoreline's neighboring city to the south, grew faster than any other major American city in 2013, according to the US Census Bureau, with approximately 18,000 people moving to the city in the one-year period. Seattle is the 21st largest city in the US. Seattle's growth rate from July 1, 2012 to July 1, 2013 was 2.8 percent, the highest rate among the 50 most populous US cities, bringing the total 2013 population to 652,405. Seattle's estimated population as of April 2016 was 686,800.

From July 1, 2012 to July 1, 2013, the Seattle-Tacoma-Bellevue metropolitan area ranked tenth in numerical population growth of metropolitan areas of the US, adding 57,514 people. According to Puget Sound Regional Council's 2040 Transportation Plan, our region will add 1.4 million people and 1.1 million jobs by 2040.

Washington State's overall population was 7,183,700 as of April 1, 2016, and is forecasted to grow by just above 1 percent per year through 2025 and then at less than 1 percent per year through 2040 according to the Washington State Office of Financial Management.

In looking at growth rates of regional cities, communities in the Puget Sound region have grown at various rates, between less

than 1 percent to about 3 percent annually between 2010 and 2013.

In a review of other transit-oriented districts around light rail and high-capacity transit in the US, growth rates have varied greatly. Average annual growth rates of around 2 percent are often achieved, but are influenced by a variety of factors.

Based on recent information released by the US Census Bureau, the 15 fastest growing cities in America with populations of 50,000 and larger (similar to Shoreline's size) grew between 3.8 percent (Pearland, Texas) and 8 percent (San Marcos, Texas) between 2012 and 2013.

The opportunity and potential for growth in the 145th Street Station Subarea would be higher with the adoption of the proposed mixed use zoning under any of the three action alternatives. However, growth would be moderated by potential challenges related to redevelopment, such as the need to aggregate parcels to create sites large enough for certain types of mixed use and multifamily housing, as discussed in Section 3.1. Uncertainty about the market and property owners' interests in redeveloping or selling their properties also moderates the forecast for growth.

Given all of the above growth statistics, the estimated average annual growth forecasted for the subarea is around 1.5 percent to 2.5 percent. This is the assumed growth rate for purposes of subarea planning and environmental analysis.

Population, housing, and employment may grow faster or slower than the 1.5 to 2.5 percent annual growth rate in any given year,

or for several consecutive years. With the potential adoption of one of the zoning alternatives as a planned action, the City of Shoreline would monitor growth levels to the thresholds defined in the Planned Action Ordinance.

Capacity Building for the Future and Focus of the Planned Action

Given challenges associated with smaller parcel sizes (and the correlating need to aggregate parcels), redevelopment to the capacity of rezoning under any of the action alternatives would take many decades. Implementation of any of the action alternatives would create capacity for redevelopment over the long term for current and future generations of residents in the subarea. Rezoning would allow flexibility for redevelopment to occur in a variety of locations in the subarea based on property owners' interests and development market influences.

Adoption of any of the rezoning alternatives analyzed as part of the 145th Street Station Subarea Plan would set the vision for what could occur over the long term. The plan also would define capital improvement needs and project priorities to support potential redevelopment over the next twenty years, which is the established planning horizon. The plan would address anticipated phasing and locations of redevelopment and make specific recommendations for public investment in the subarea to support this first stage of growth.

Assigned Growth Targets for Shoreline

The King County Countywide Planning Policies (CPPs), adopted to implement the Growth Management Act (GMA), establish housing unit growth targets for each jurisdiction within the

county. Each target is the amount of growth to be accommodated during the 2006-2031 planning period. Shoreline's growth target for this period is 5,000 additional housing units; projected to 5,800 housing units by 2035 (200 housing units per year).

Applying Shoreline's current average household size of 2.4 people per residence, 5,800 new housing units equates to 13,920 new residents by 2035.

The Puget Sound Regional Council (PSRC) buildable lands update shows that Shoreline has the capacity to gain more than 7,200 new jobs by 2035, improving its jobs-to-housing ratio to 0.91. (Note: jobs-to-housing ratio and balance are discussed and defined later in this section.)

The City is required to plan for its assigned GMA growth target and demonstrate that its Comprehensive Plan is able to accommodate the growth targets for housing units and employment. Sufficient land (zoning capacity) and strategies must be in place to show that there will be available housing and services for the projected population. The City of Shoreline has met these requirements through its Comprehensive Plan, which shows that growth targets can be met through housing and employment capacity, particularly along Aurora Avenue N.

Although the City has capacity to meet these growth targets with or without upzoning the station subarea, intensifying densities in proximity to the light rail station is considered "smart growth", consistent with regional goals and policies, as well as those adopted by the City. Smart growth means building urban, suburban, and rural communities with housing and

transportation choices near jobs, shops, and schools. This approach supports local economies and protects the environment.

With more people living and working near high-capacity transit, Shoreline can better achieve the objectives of the Climate Action Plan and better meet the policies and provisions of its Comprehensive Plan, specifically the Transportation Element. Adopted policies related to expanding housing and transportation choices and enhancing quality of life through better connectivity in the station subarea also can be realized.

Upzoning to create capacity for more residents and employees in proximity to high-capacity transit also could help to catalyze redevelopment and encourage higher rates of growth in the subarea than are currently being experienced citywide and regionally.

A review of growth rates over the last ten years shows that the City has only recently been barely keeping pace with the growth target of 200 housing units per year within the last couple of years and is not yet meeting the jobs/employment growth target range.

Transit-supportive densities of housing and mixed use development are being proposed in the subarea under any of the three action alternatives studied in this FEIS. Even without changes in zoning, there would be growing pressure in the single family neighborhoods of the subarea and surrounding neighborhoods for additional housing units as more people seek to live near the station. As such, even without the adoption of higher densities, it would be expected that homeowners would

renovate or redevelop their properties to maximize density over time, as discussed in Section 3.1.

With adoption of upzoning under any of the three action alternatives, density would be added to the subarea through various types of multifamily and transit-oriented development (mixed use buildings, condominiums, apartments, townhomes, etc.) allowed under the proposed MUR-85', MUR-70', MUR-65', and/or MUR-45' zoning categories. Attached single-family homes, cottage housing, accessory dwelling units, duplexes, triplexes, and other multiplexes would be expected to develop as a result of the proposed MUR-35' zoning, and these types of housing units would provide a transition between the more intensive density in the station vicinity and the traditional detached single family neighborhoods in outer areas.

Refer to Section 3.1 for a more detailed explanation of expected urban form and neighborhood character.

Redevelopment Potential and Timing

The potential for growth and timing of redevelopment would be influenced by various factors in the subarea, including development market influences and individual property owner decisions on the use of their properties. Implementation of upzoning under Alternative 2—Connecting Corridors, Alternative 3—Compact Community, or Alternative 4—Compact Community Hybrid would maximize opportunities for future redevelopment. While implementation of any of the three action alternatives would result in redevelopment and population increases, as well as economic development opportunities at full build-out, Alternative 3 would accommodate more housing units and population than Alternatives 2 or 4. Alternative 2 would provide

more job opportunities than Alternative 3 or 4. Alternative 4 would provide more job opportunities than Alternative 3, but less housing units than either Alternative 2 or 3.

Redevelopment potential is also influenced by parcel size. Most properties in the subarea are smaller sized single family lots that would need to be aggregated into larger parcels to create a site size suitable for redevelopment to the proposed zoning. There are parcels of larger size west of I-5 and north of 145th Street NE owned by religious organizations that would be suitable for additional growth in the near term, if property owners are interested in redeveloping and incorporating additional uses and development onto their site, or are willing to sell to an interested developer.

Because most properties within the subarea are smaller sized single family residential lots and would need to be aggregated, throughout the FEIS analysis it is stated that growth in the subarea would be anticipated to occur very gradually over many years. As an example, even if the higher average annual growth rate of 2.5 percent were to occur, it is estimated that it would take approximately 55 years to reach full build-out of Alternative 4—Compact Community Hybrid, 63 years to reach full build-out of Alternative 3—Compact Community, and 60 years to reach full build-out of Alternative 2—Connecting Corridors. At a 1.5 percent average annual growth rate, it would take 87 years to reach full build-out of Alternative 4, 98 years to reach full build-out of Alternative 2, and 94 years to reach full build-out of Alternative 2.

Population Study Area for Purposes of the FEIS

While subarea planning has been focused on the study areas shown in Figures 1-1 and 1-2 in Chapter 1, for purposes of population and employment projection calculations, the limits of Traffic Analysis Zones (TAZ) boundaries are assumed as the study area. In some cases, these boundaries extend beyond the land use and mobility study area boundaries designated for the subarea, and overall the area covers a broader geography. TAZs (depicted in **Figure 3.2-1**) are the common methodology for analyzing demographics regionally in planning.

The population figures throughout this FEIS (existing and forecasted) relate to the areas shown in this TAZ map. The estimated existing population within the 145th Street Station Subarea, including the TAZs associated with the subarea is 8,321. Population within these TAZs has been a key factor in calculating potential impacts and demand for transportation, public services, utilities in this FEIS.

Recent plans for the Point Wells area have been presented by Snohomish County, which is going through a separate environmental impact analysis process to assess redevelopment opportunities. While potential population growth for Point Wells would occur well outside the 145th Street Station Subarea, projected traffic in the subarea as a result of Point Wells development is assumed in this FEIS, as described and analyzed in Section 3.3 Multimodal Transportation.

Existing and Planned Housing Characteristics

Planning for expected growth requires an understanding of current housing and housing unit characteristics, as well as economic and market trends and demographics. A summary of the market assessment and economic trends was provided in Section 3.1. Below is a summary of current housing characteristics in Shoreline including conditions related to affordability. Much of the information presented is based on the supporting analysis in the 2012 Comprehensive Plan for the City of Shoreline.

Comprehensive Housing Strategy

The City developed a demand analysis and housing inventory to support the Housing Element of the 2012 Comprehensive Plan, which complements past planning efforts, including the City's Comprehensive Housing Strategy, adopted by Council in February 2008.

The Comprehensive Housing Strategy was the culmination of work by a Citizen Advisory Committee formed in 2006 to address the City's housing needs. The strategy contains recommendations for expanding housing choice and affordability while defining and retaining important elements of neighborhood character, educating residents about the importance and community benefit of increasing local choice and affordability, and developing standards to integrate a variety of new or different housing styles within neighborhoods.

Shoreline and Subarea Housing Inventory

Shoreline can be classified as a historically suburban community that is maturing into a more self-sustaining urban environment. Almost 60 percent of the current housing stock was built before

1970, with 1965 being the median year of home construction. Only 7 percent of homes (both single and multifamily) were constructed after 1999. Much of the housing stock is approaching 70 years of age and most is over 50 years old. More and more homeowners are either making substantial renovations to their homes or demolishing existing homes and replacing with new ones. This trend likely would continue absent upzoning in the subarea.

Over the last decade, additional housing was created through infill construction of new single-family homes and townhouses, with limited new apartments in mixed-use areas adjacent to existing neighborhoods. Many existing homes were remodeled to meet the needs of their owners, contributing to the generally good condition of Shoreline's housing stock.

The characteristics of the 145th Street Station Subarea are consistent with these described for Shoreline overall, although the subarea has seen less infill construction and redevelopment activity than other areas of the city.

Quantity of Housing Units, Types, and Sizes

Single-family homes are the predominant type of existing housing in Shoreline and encompass a wide range of options, which span from older homes built prior to WWII to new homes that are certified through the Leadership in Energy and Environmental Design (LEED) program. Styles range from expansive homes on large view lots to modest homes on lots less than one quarter acre in size. In the station subarea, the predominant single family lot size is 8,000 to 10,000 square feet (with some lots around 6,000 square feet). Although much of the existing zoning in the

subarea is Residential, six units per acre (R-6), the current built density of the subarea is approximately 3.2 units per acre.

According to the 2014 American Community Survey, there were 22,271 housing units within the City of Shoreline, an increase of 1,555 since 2000. About 65 percent of these housing units are detached single-family homes. Compared to King County as a whole, Shoreline has a higher percentage of its housing stock in single-family homes. See Table 3.2-1. In the 145th Street Station Subarea, including the TAZs associated with the subarea, it is estimated that there are currently 3,467 housing units (primarily single-family detached) based on data in the 2010 Census.

While the number of housing units increase in Shoreline each year, population levels show a potential trend toward a decrease in the number of people per household. This is consistent with national trends. However, overall in King County, household size has remained stable since 1990 (see Table 3.2-2). Shoreline’s existing average household size is 2.4 people per dwelling unit. In Shoreline, the average number of bedrooms per unit is 2.8. Only 16 percent of housing units have less than 2 bedrooms. This compares with 21 percent of housing units with less than 2 bedrooms in King County. With larger housing units and a stable population, overcrowding has not been a problem in Shoreline.

The US Census reported only 1.6 percent of housing units with an average of more than one occupant per room, and no units that averaged more than 1.5 occupants per room (American Community Survey 2008-2010).

Table 3.2-1 Number of Dwelling Units and Percentage of Housing Types in Shoreline and King County

	Type of Housing	King County		Shoreline	
		Units	Percent	Units	Percent
2010	Total	851,261		22,787	
	1 Unit	494,228	58.06%	16,290	71.49%
	2+ Units	338,645	39.78%	6,422	28.18%
	MH/TR/Spec	18,388	2.16%	75	0.33%
2015	Total	893,275		23,330	
	1 Unit	506,079	56.65%	16,358	70.12%
	2+ Units	369,051	41.31%	6,898	29.56%
	MH/TR/Spec	18,145	2.04%	74	0.32%

Source: American Community Survey 2008-2012

Table 3.2-2 Average Household Size

	1980	1990	2000	2010
Shoreline	2.7	2.5	2.5	2.4
King County	2.5	2.4	2.4	2.4

Source: 1980 Census, 1990 Census, 2000 Census, 2010 Census

Definition and Measure of Housing Affordability

The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing. When discussing levels of affordability, households are characterized by their income as a percent of the Area Median Income (AMI). Shoreline uses the King County AMI. The box below left highlights information pertaining to affordable housing metrics in Shoreline. **Figure 3.2-2** shows wage/income levels for various professions.

Special Needs Housing and Homelessness

Group Quarters

Group quarters, such as assisted living facilities, correctional institutions, or living quarters for people who are disabled,

Affordable Housing Metrics for Shoreline

To understand affordability metrics, percentages of Area Median Income (AMI) are calculated. For example, The 2011 AMI for Shoreline was \$66,476. Therefore, a household with that income would be making 100 percent of median; a household that made 50 percent of that amount (\$33,238) would be classified at 50 percent AMI; a family making 30 percent of that amount (\$19,943) would be classified at 30 percent AMI.

Families that pay more than 30 percent of their income for housing are considered “cost-burdened” and may have difficulty affording necessities such as food, clothing, transportation, and medical care.

homeless, or in recovery from addictions are not included in the count of housing units reported above. According to the 2010 Census, about 2.6 percent of Shoreline’s population, or 1,415 people, live in group quarters. This is a slightly higher percentage than the 1.9 percent of King County residents living in group quarters. Fircrest, adjacent to the eastern boundary of the subarea, is one of five state residential habilitation centers for people with developmental disabilities and it provides medical care and supportive services for residents and their families. In 2011, Fircrest had about 200 residents. This reflects a decline from more than 1,000 residents 20 years ago, as many residents moved into smaller types of supported housing, such as adult family or group homes.

Financially Assisted Housing

As shown in **Table 3.2-3** financially assisted households for low- and moderate-income individuals and families exist in the City of Shoreline.

Table 3.2-3 Assisted Household Inventory

Provider	Units
King County Housing Authority	669
HUD Subsidized Units	80
Tax Credit Properties**	272
Total	1,021

Source: City of Shoreline Office of Human Services, 2012

** The Low Income Housing Tax Credit program was created by Congress through the passage of the Emergency Low Income Housing Preservation Act, 1987. When the tax credits expire, these properties may be Converted to market rate housing.

In addition to this permanent housing, King County Housing Authority provided 566 vouchers to Shoreline residents through the Section 8 federal housing program, which provides housing assistance to low income renters (City of Shoreline Office of Human Services, 2012).

Homelessness

According to the Shoreline School District, 376 students experienced homelessness during the 2014-2015 school year. According to the 2016 King County One Night Count of homeless individuals, 138 people were found living on the streets in the north of King County, including Shoreline.

Emergency and Transitional Housing Inventory

Five emergency and transitional housing facilities provide temporary shelter for people in the City of Shoreline. These facilities focus on providing emergency and transitional housing for single men, families, female-headed households, veterans, and victims of domestic violence. The current maximum capacity of these facilities is 49 people. These facilities are listed in **Table 3.2-4**.

Housing Tenure and Vacancy

Historically, Shoreline has been a community dominated by single-family, owner-occupied housing. More recently, homeownership rates have been declining. Up to 1980, nearly 80 percent of the housing units located within the original incorporation boundaries were owner-occupied.

In the 1980s and 1990s a shift began in the ownership rate. The actual number of owner-occupied units remained relatively constant, while the number of renter-occupied units increased to

32 percent of the city's occupied housing units in 2000, and nearly 35 percent in 2010. This shift was mainly due to an increase in the number of multifamily rental units in the community. Refer to **Table 3.2-5**.

A substantial increase in vacancies from 2000 to 2010 may partially be explained by apartment complexes, such as Echo Lake, that had been built but not yet occupied during the census count, or by household upheaval caused by the mortgage crisis. More recent data indicates that vacancies are declining (see discussion later in this section).

Housing Demand and Affordability

Housing demand is largely driven by economic conditions and demographics. Economic and market conditions have been assessed for the station subarea, and these are summarized in Section 3.1. Demographic characteristics influence market demand with regard to number of housing units; household size, make-up, and tenure (owner vs. renter); and preference for styles and amenities. For instance, young singles and older people may prefer smaller units with goods, services, and transit within walking distance as opposed to a home on a large lot that would require additional maintenance and car ownership. It is important for Shoreline to have a variety of housing styles to accommodate the needs of a diverse population, because it is the right thing to do and also because it is required by the Growth Management Act.

Table 3.2-4 Emergency and Transitional Housing Inventory

Location	No. of Occupants	Focus
Caesar Chavez	6	Single Men
Wellspring Project Permanency	14	Families
Home Step Church Council of Greater Seattle	4	Female Head-of-Household
Shoreline Veterans Center	25	Veterans
Confidential Domestic Violence Shelter	6	Victims of Domestic Violence

Source: City of Shoreline Office of Human Services, 2012

In 2014, about 61 percent of households were family households (defined as two or more related people), down from 65 percent in 2000. Approximately 30 percent were individuals living alone, an increase from 26 percent in 2000. The remaining 9 percent were in nonfamily households where unrelated individuals share living quarters. Households with children decreased from 33 percent of households in 2000 to 27.4 percent of households in 2014. Single-parent families also decreased from 7.4 percent to 6.9 percent of households, reversing the previous trend of increasing single-parent families. Shoreline now has a lower percentage of households with children than King County as a

Table 3.2-5 Housing Inventory and Tenure

	2000	2010	Change 2000 to 2010
Total Housing Units	21,338	22,787	+1,449
Occupied Housing Units	20,716	21,561	+845
Owner-Occupied Units	14,097	14,072	-25
	68% of Occupied	65.3% of Occupied	0.2% Decrease
Renter-Occupied Units	6,619	7,489	+870
	32% of Occupied	34.7% of Occupied	13.1% Increase
Vacant Units	622	1,226	+612
	2.9% of Total	5.4% of Total	99.7% Increase

Source: 2000 Census; 2010 Census

whole, where households with children account for about 29 percent of all households, down from 30 percent in 2000. **Table 3.2-6** summarizes the changing characteristics of households.

A Changing Community

As previously mentioned, Shoreline’s population is becoming more ethnically and racially diverse. In 2000, 75 percent of the population was white (not Hispanic or Latino). By 2010, this percentage dropped to 68 percent but rose slightly to 69.9 percent in 2014. Shoreline’s changing demographic characteristics may impact future housing demand. Newer



residents may have different cultural expectations, such as extended families living together in shared housing. The increase in the number of singles and older adults in the community suggests that there is a need for homes with a variety of price points designed for smaller households, including accessory dwelling units or manufactured housing.

Table 3.2-6 Changing Household Characteristics in Shoreline

	2000	2010	Change 2000 to 2010
Total Households	20,716	21,561	+845
Households with Children	6,775 32.7% of Total	6,015 27.9% of Total	-760 11.2% Decrease
Single-Person Households	5,459 26.5% of Total	6,410 29.7% of Total	+951 17.4% Increase
Households with an Individual over 65	4,937 23.8% of Total	5,509 25.6% of Total	+572 11.6% Increase

Source: 2000 Census; 2010 Census

Demographic changes may also increase demand for multifamily housing. Such housing could be provided in single-use buildings (townhouses, apartments, and condominiums), or in mixed-use buildings. The need for housing in neighborhood centers, including for low and moderate income households is expected to increase. Mixed use developments in central areas close to public transit would allow for easier access to neighborhood amenities and services, and could make residents less dependent on autos.

The Need for Affordable Housing

The GMA requires county-wide planning policies (CPPs) to address the need for affordable housing, including housing for all economic segments, and parameters for its distribution. The King County CPPs establish low and moderate income household targets for each jurisdiction within the county to provide a regional approach to housing issues, and to ensure that affordable housing opportunities are provided for lower and moderate income groups. These affordable housing targets are established based on a percent of the City’s growth target.

The CPPs more specifically state an affordability target for moderate income households (earning between 50 percent and 80 percent AMI) and low-income households (earning below 50 percent AMI). The moderate-income target is 16 percent of the total growth target, or 800 units. The low income target is 22.5 percent of the growth target, or 1,125 units. Of the current housing stock in Shoreline, 37 percent is affordable to moderate-income households and 14 percent is affordable to low income households (King County Comprehensive Plan, Technical Appendix B).

Assessing affordable housing needs requires an understanding of the economic conditions of Shoreline households and the current stock of affordable housing. Estimated percentage of households at each income level is presented in **Table 3.2-7**.

Affordability Gap

The “affordability gap” is the difference between the percentage of city residents at a particular income level and the percentage of the city’s housing stock that is affordable to households at that income level. A larger gap indicates a greater housing need. **Table**



3.2-8 depicts the affordability gap. Since 2010, housing prices have been growing more rapidly than wage growth, further widening Shoreline's affordability gap.

Where affordability gaps exist, households must take on a cost burden in order to pay for housing. Cost-burdened households paying more than 30 percent of household income for housing costs comprise 39 percent of homeowners and 48 percent of renters in Shoreline. Very low income cost-burdened households are at greatest risk of homelessness and may be unable to afford other basic necessities, such as food and clothing. The substantial affordability gap at this income level suggests that the housing needs of many of Shoreline's most vulnerable citizens are not being met by the current housing stock. Closing this gap requires the use of innovative strategies to provide additional new affordable units and the preservation/ rehabilitation of existing affordable housing. In order to assess the relative status of housing affordability in the city, comparison cities in King County were selected based on number of households and housing tenure. Two cities (Sammamish and Mercer Island) with few renters were selected for comparison, along with two cities (Kirkland and Renton) with a higher proportion of renting households. To compare Shoreline to these cities and to King County, the number of households in each income group countywide was compared to the number of households affordable at each income level. **Table 3.2-9** shows the comparison of affordability gaps in these communities to Shoreline's.

Figure 3.2-3 shows Affordable Housing Units by Income Group in a map that shows multiple factors related to housing affordability

in various Shoreline neighborhoods, and this complexity warrants a description that is not included with other maps. The map shows average household income levels of various neighborhoods by census tract. For each neighborhood, there is also a list that begins with the name of the neighborhood, and displays the number of houses with assessed values that are considered affordable to various income groups. To be affordable, mortgage and expenses, such as property tax, should not exceed 30 percent of the annual household income. The price range for housing affordable for each income group is listed in the legend.

To provide an example, in the Meridian Park Neighborhood, one of the neighborhoods of the station subarea, the average household income in 2010 was \$82,148. Within that neighborhood, there were 3 homes appraised below \$99,720, which is the price a very low income household can afford without exceeding 30 percent of their income. There are 735 homes appraised between \$99,720 and \$265,999, which is the price a low income household can afford without exceeding 30 percent of their income.

Rising Home Values

As in much of the rest of the country, home prices in Shoreline fell during the Great Recession years, but started to rise again in late 2012. Prices have continued to increase and have even recently surpassed their pre-recession high of \$375,300 in June of 2007. The April 2016 median sale price for Shoreline was \$447,700, an increase from the 2007 high of 19 percent (See **Figures 3.2-4 and 3.2-5**). The rapid increase in home values puts

increasing pressure on households in Shoreline, and widens the affordability gap for prospective buyers.

Table 3.2-7 Households by Income Level in Shoreline and King County

	Shoreline	King County
Very Low Income <30% AMI	3,154 (15%)	53,784 (13%)
Low Income 30% to 50% AMI	2,580 (12%)	52,112 (11%)
Moderate Income 50% to 80% AMI	3,665 (17%)	76,279 (16%)
80% to 120% AMI	4,443 (21%)	97,116 (19%)
>120% AMI	7,520 (35%)	216,821 (41%)

Source: 2008-2010 American Community Survey; King County Comprehensive Plan

A Segmented Market

There has historically been a large discrepancy in the value of homes in the city’s various neighborhoods. Table 3.2-10 presents 2010 data extracted from home sales records used by the King County Assessor to assess the value of homes in various sub-markets within the city (the Assessor excludes sales that are not indicative of fair market value). Since home prices have risen dramatically in recent years, the market may be less segmented than in the past, but increasingly expensive or out of reach for many Shoreline households.

Table 3.2-8 Affordability Gap

	Percent of Units Affordable to Income Group in Shoreline	Affordability Gap
Very Low Income <30% AMI	825 (3.9%)	11%
Low Income 30% to 50% AMI	2,116 (10%)	2%
Moderate Income 50% to 80% AMI	4,886 (23%)	N/A
80% to 120% AMI	6,367 (30%)	N/A

Source: King County Comprehensive Plan

* Vacant units are not included in the analysis, since the affordability of vacant units is unknown.

Rising Rents and Tightening Vacancy

Rents for all types of properties in Shoreline have surpassed highs reached in 2009, and apartment vacancy is currently hovering around 2 percent. According to the most recent data available, the average rent increased from \$859 in September 2007 to \$1,240 in March 2016. Year-over-year trends in the Shoreline area rental market (which includes the cities of Shoreline and Lake Forest Park) are included in **Table 3.2-11** for 2008-2015. The increasing price of rental options and the limited apartment vacancy may be hindering the city’s attractiveness to new families, and the ability to provide affordable housing options for younger or fixed-income citizens and smaller households.

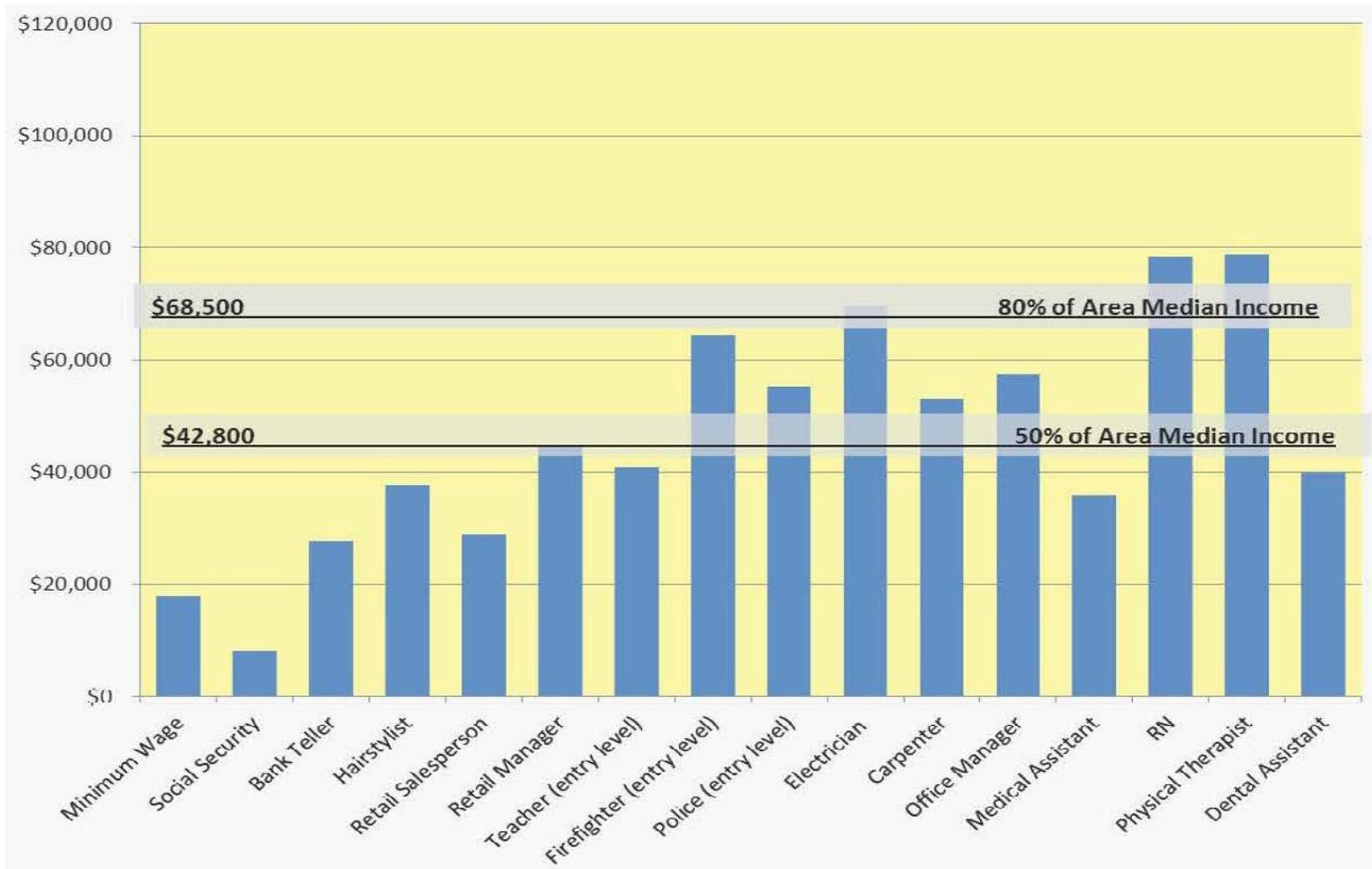
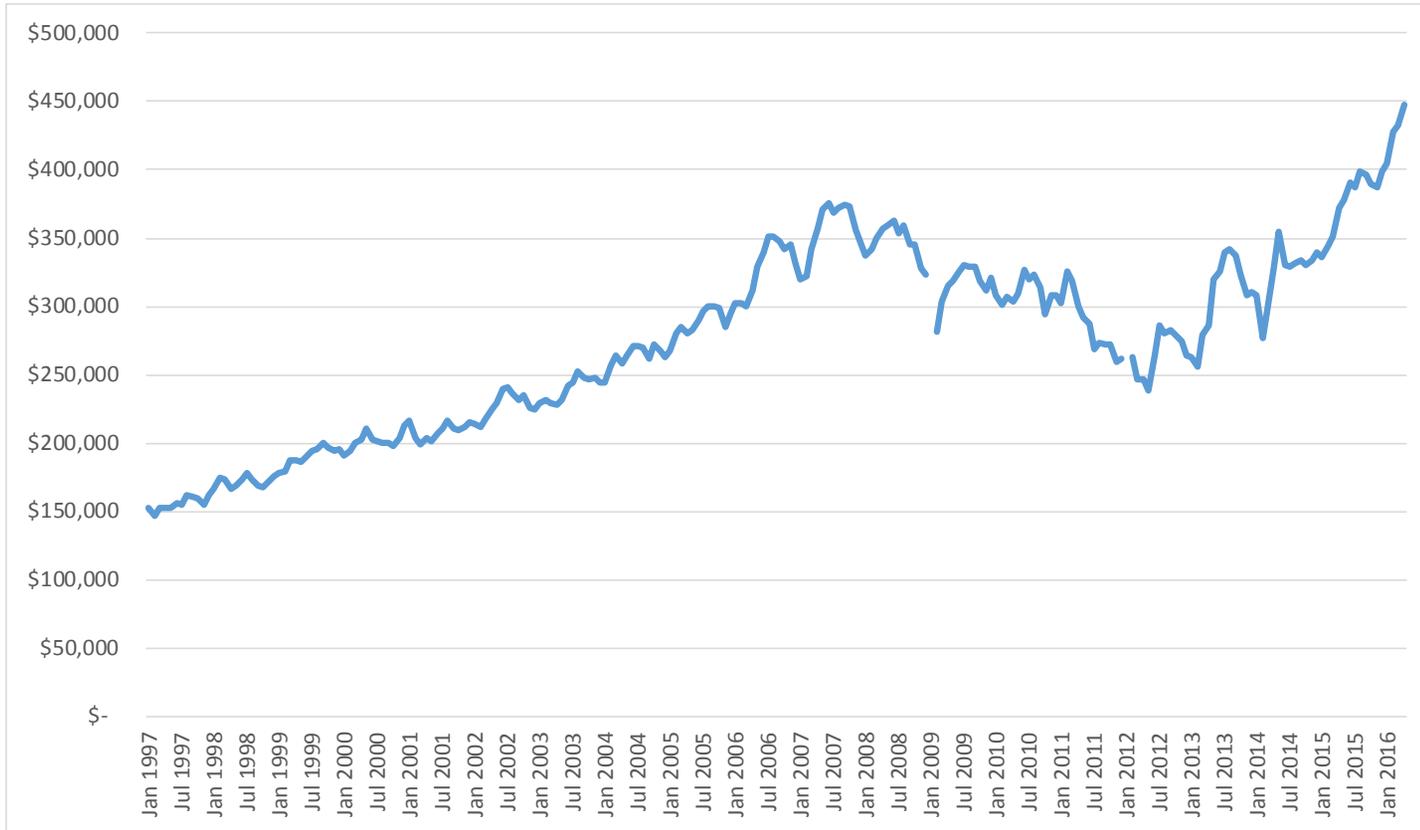
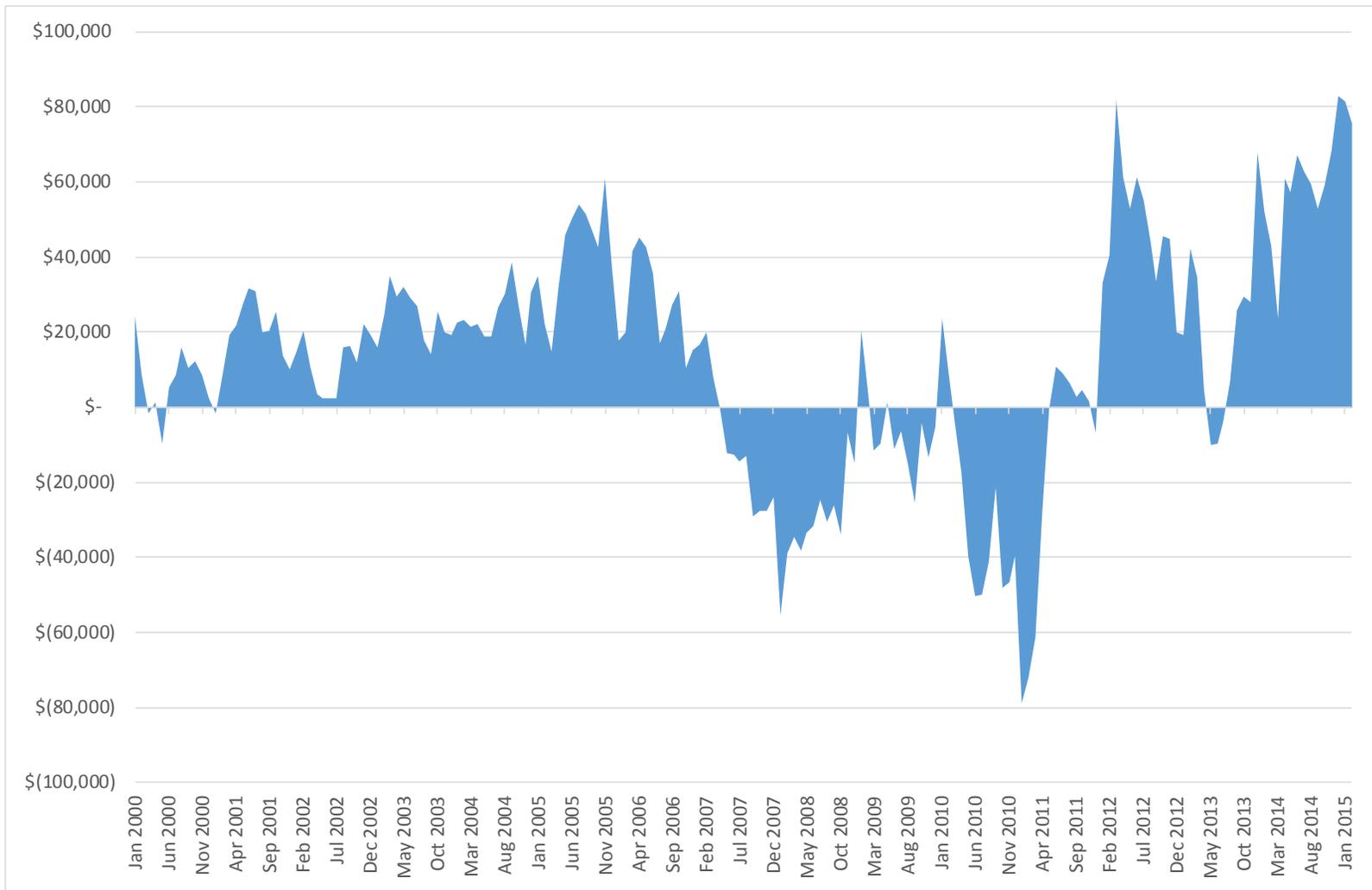


Figure 3.2-2 Income Levels of Various Professions in King County (2011)



Source: Zillow Data Research

Figure 3.2-4 Median Sales Price of Homes in Shoreline (1997-2016)



Source: Zillow Data Research

Figure 3.2-5 Year-Over-Year Change in Median Sales Price (January 2000 to January 2015)



Table 3.2-9 Comparison of Affordability Gap

	Very Low Income Affordability Gap	Low Income Affordability Gap	Moderate Income Affordability Gap	80% to 120% AMI affordability Gap
Sammamish	12.1%	9.6%	10.1%	2.1%
Mercer Island	10.1%	8.9%	6.0%	6.7%
Shoreline	8.6%	1.2%	N/A	N/A
Kirkland	9.9%	4.9%	N/A	N/A
Renton	8.8%	N/A	N/A	N/A
King County	8.4%	N/A	N/A	N/A

Source: King County Comprehensive Plan * Discrepancy between tables results from use of Countywide household data for comparison with other cities and King County.

Table 3.2-10 Single Family Housing Prices

Neighborhood Area	Median Sale Price, 2010	Affordable Income Level*	Average Change in Assessed Value, 2010-2011
West Shoreline	\$500,000	>120% of AMI	-2.1%
West Central Shoreline	\$341,500	115% of AMI	-6.0%
East Central Shoreline	\$305,000	100% of AMI	-6.9%
East Shoreline	\$290,000	100% of AMI	-5.2%

Source: King County Assessor, 2011 Area Reports, 2011 HUD Income Levels * Figures given are the percent of 2011 typical family Area Median Income (AMI) required to purchase a home at the 2010 median price. Affordable housing costs are based on 30% of monthly income. Figures are approximate. Additional assumptions were made in the affordability calculation.

Table 3.2-11 Shoreline Area Rental Market Rents and Vacancy Rates

	2008	2009	2010	2011	2012	2013	2014	2015
Average Rent	\$897	\$977	\$949	\$934	\$966	\$1,026	\$1,070	\$1,161
Percent Change from Previous Year		+8.9%	-2.9%	-1.6%	+3.4%	+9.8%	+4.3%	+8.5%
Market Vacancy*	2.7%	4.6%	7.1%	5.0%	4.0%	2.3%	1.9%	1.6%

Source: Dupree+Scott, The Apartment Vacancy Report

*Market Vacancy excludes units in lease-up and those undergoing renovation.

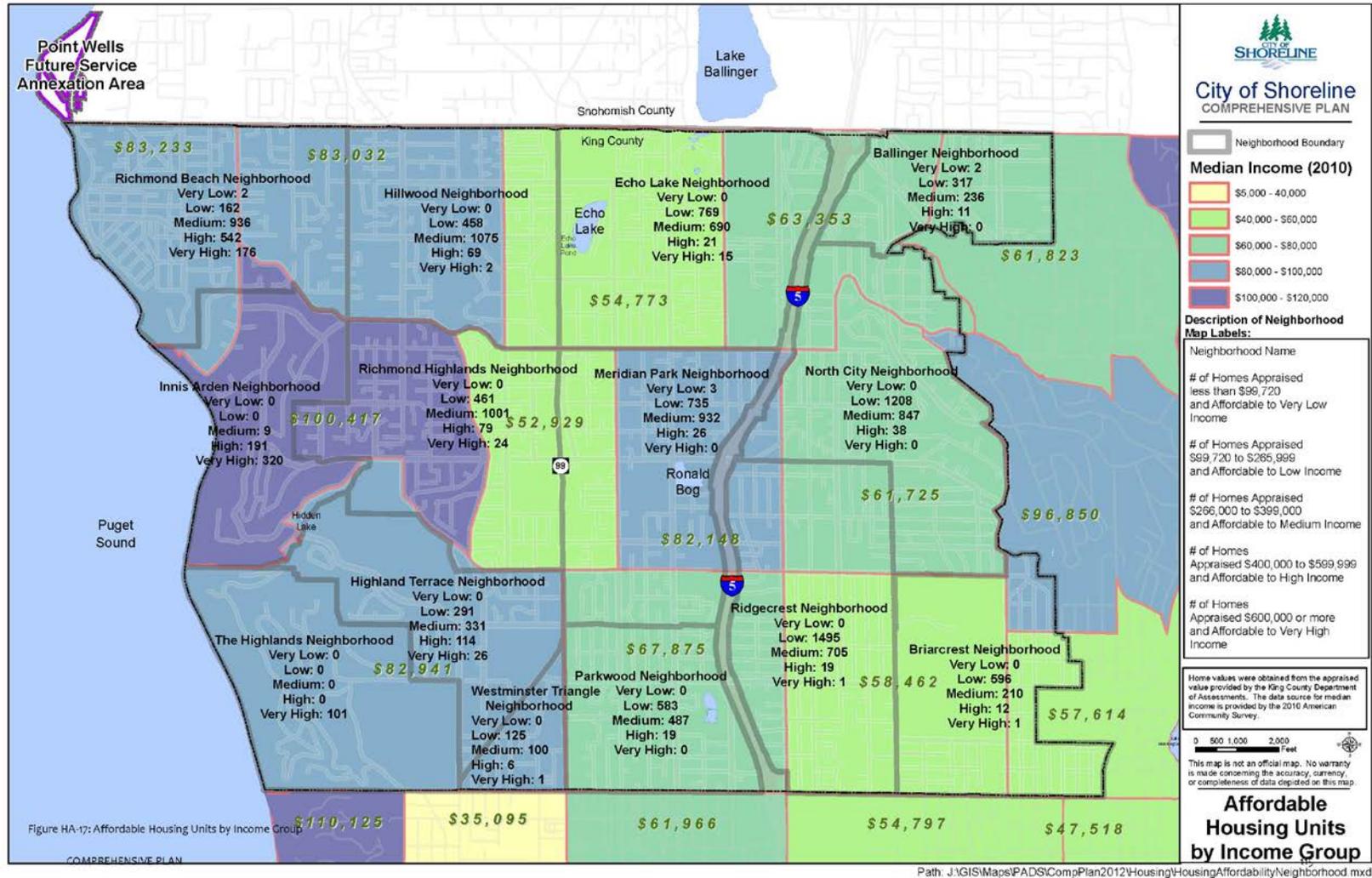


Figure 3.2-3 Affordable Housing Units by Income Group in Shoreline

Neighborhood Quality and Housing Choice

Neighborhood quality and the availability of diverse housing choices to fit various income levels have a direct relationship to greater housing demand. The Citizen Advisory Committee of the Comprehensive Housing Strategy stressed the need to define and retain important elements of neighborhood character, while also providing housing choice. Some members of the community expressed concern about density and design of infill developments and the impacts of these developments on existing neighborhoods. Some members of the community support additional density and infill development, either to preserve undeveloped land in rural areas, support transit, encourage business and economic development, increase affordability, and for other reasons. Regulations that implement policy recommendations in the Housing Element of the Comprehensive Plan and the Housing Strategy should strive to balance these concerns and opportunities.

Housing choice refers to the ability of households in the city to live in the neighborhood and housing type of their own choosing. Housing choice is supported by providing a variety of housing that allows older adults to age in place and new families to be welcomed into existing neighborhoods. While Shoreline's single-family housing is in generally good condition and highly desirable for many, new housing close to neighborhood centers and high-capacity transit may be equally desirable to older adults, small households, or special-needs households with financial or mobility limitations.

Other benefits of locating housing in neighborhood centers and in close proximity to high-capacity transit include:

- Transportation cost savings;

- Improved fitness and health through increased walking;
- Lower costs for roads, utilities, and emergency services;
- Reduced road and parking costs;
- Reduced regional congestion;
- Energy conservation;
- Reduced emissions; and
- Preservation of open space.

GMA and Regional Policies Supporting Affordable Housing

The City of Shoreline's policies related to housing and relevant to potential development in the station subarea are summarized in Section 3.1. It is also important to consider state and regional goals and policies as guidance for subarea planning. The GMA specifically states that its housing goal is to:

“Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.” RCW 36.70A.020(4)

King County CPPs also encourage affordable housing and the use of innovative techniques to meet the housing needs of all economic segments of the population. The CPPs also require that the City provide opportunities for a range of housing types, as does the GMA.

The City's Comprehensive Housing Strategy, adopted in 2008, recommended increasing affordability and choice within local housing stock in order to accommodate the needs of a diverse population. Demographic shifts, such as aging “Baby Boomers”

and increasing numbers of single-parent or childless households create a market demand for housing styles other than a single-family home on a large lot.

Puget Sound Regional Council (PSRC) administers the Growing Transit Communities Partnership (GTC). In accordance with the goals of the PSRC and GTC, high-capacity station areas should consider adopting the affordable housing policies and provisions stated in PSRC's VISION 2040. A few are included below, for the full list, read their report, available at:

<http://www.psrc.org/growth/growing-transit-communities/growing-communities-strategy/read-the-full-growing-transit-communities-strategy/>

MPP-H-1 Provide a range of housing types and choices to meet the housing needs of all income levels and demographic groups within the region.

MPP-H-2 Achieve and sustain — through preservation, rehabilitation, and new development — a sufficient supply of housing to meet the needs of low income, moderate-income, middle-income, and special needs individuals and households that is equitably and rationally distributed throughout the region.

MPP-H-3 Promote homeownership opportunities for low-income, moderate income, and middle-income families and individuals.

City of Shoreline Affordable Housing Policies and Requirements

Chapter 20.40.230 and 20.40.235 of the Development Code currently includes provisions for affordable housing, with

20.40.235 specific to light rail station subareas. In addition, the City has developed policies for the subarea that address affordable housing needs, including direction for further implementation work to develop programs. These policies and Development Code provisions are provided in Section 3.2.3 Mitigation Measures. Other Code provisions and development standards related to housing and mixed use development in the subarea are summarized in Section 3.1 of this FEIS.

In May 2015, the Housing Development Consortium of Seattle-King County awarded the City of Shoreline the Municipal Champion Award for its leadership in supporting affordable housing opportunities in Shoreline and across the region. The award recognizes the City's efforts to create an equitable community through tools like incentive zoning and impact fee exemptions for affordable housing that were adopted through the 185th Street Station Subarea Plan. These same regulations would apply to the 145th Street Station Subarea, including many incentives and requirements to build affordable units within developments or pay into a housing trust fund to support development of local affordable housing options. The City intends to continue to work with regional organizations and local non-profits to provide greater affordability over time.

Employment in Shoreline and the Subarea

In 2012, approximately 16,409 jobs existed in the City of Shoreline. Of these jobs, approximately 46 percent were service related; 17 percent were government; 16 percent were retail; 13 percent were education; 3 percent were construction; 3 percent were finance, insurance, and real estate; 1 percent was wholesale

trade, transportation, and utilities; and 1 percent was manufacturing (PSRC Employment Database).

Most of these jobs were located along Aurora Avenue N. However, other employment clusters include the Shoreline Community College, and neighborhood business centers in North City, Richmond Beach Shopping Center, 5th Avenue NE and NE 165th Street, and 15th Avenue NE. Less obvious places of employment include home occupations (people working out of their homes).

Major employers within the community include (listed in alphabetical order):

- CRISTA Ministries
- Costco
- Fircrest Residential Habilitation Center
- Fred Meyer
- Goldie's Casino
- Home Depot
- Northwest Security
- Shoreline, City of
- Shoreline School District
- Shoreline Community College
- Washington State Department of Transportation

In the 145th Street Station Subarea and nearby areas within the TAZ boundaries, there are currently 1,595 jobs, including jobs in the commercial center located at NE 145th Street and 15th Ave NE and near the Aurora corridor, at either end of the subarea. This is an estimated level of employment, which was also assumed in the City's Transportation Master Plan.

Employment Growth Trends and Targets

Employment within the city is a measure of the current economic activity. The following employment growth characteristics were summarized in the Economic Development Supporting Analysis to the City's 2012 Comprehensive Plan.

- Non-government employment in Shoreline is predominantly oriented toward services and retail. These two sectors comprised 62 percent of total employment as of 2010.
- Employment growth has been concentrated in services, which was the fastest growing sector between 2000 and 2010.
- The other non-government sectors in which employment grew in the last decade were manufacturing and construction/resources. Despite growth, the two sectors together accounted for only 4.4 percent of the total employment as of 2010.
- Total employment in Shoreline continued to grow over the past decade, though at a much slower pace than in the previous five years.

Encouraging employment growth within the city would improve Shoreline's jobs-to-housing ratio/balance. Jobs and housing are considered "balanced" at approximately 1.5 jobs per household. Jobs-to-housing ratio or balance is "a means to address travel demand by improving accessibility to jobs, as well as to goods, services, and amenities" (PSRC, Vision 2040). The creation of new jobs through economic development can help alleviate a mismatch between jobs and housing, reducing commute times

and creating more opportunities for residents to work and shop within their own community.

Shoreline's jobs-to-housing ratio was 0.72 in 2010 compared to the desirable ratio of 1.5, highlighting the need for job growth and employment-supporting development.

The City conducted an analysis that compared its employment characteristics to other cities in the region and found that jobs-housing balance varies considerably throughout the region.

Ratios of comparative cities in 2010 were:

- Lynnwood 1.53
- Tukwila 5.56
- Marysville 0.51
- Kirkland 1.27

King County's overall ratio was 1.29 and Snohomish County's was 0.82.

In comparing Shoreline's median household income, unemployment rate, and poverty rate to these same peer cities, Shoreline had the second highest median income (only Kirkland was higher); the second lowest unemployment rate (Kirkland was lower); and the second lowest poverty rate (Kirkland was lower).

The King County Countywide Planning Policies establish employment growth targets for each of the jurisdictions within the county. The employment target is the amount of job growth the jurisdiction should plan to accommodate during the 2006-2031 planning period. Shoreline's growth target for this period is 5,000 additional jobs, projected to 5,800 by 2035. This

employment growth target was also adopted by the City. A more recent analysis by PSRC shows that Shoreline has the capacity to gain more than 7,200 new jobs by 2035, improving its jobs-to-housing ratio to 0.91.

Several factors constrain substantial commercial development (and resultant job growth) in Shoreline, including the limited number of large tracts of developable land available for commercial or industrial uses.

Since it developed into a suburban environment, Shoreline has been considered a "bedroom community" from which residents travelled elsewhere for higher-wage jobs and more complete shopping opportunities. Recognizing new and innovative ways to support the local economy would assist efforts to plan for the addition of new jobs. The quality of Shoreline's economy is affected by reliable public services, the area's natural and built attractiveness, good schools, strong neighborhoods, efficient transportation options, and healthy businesses that provide goods and services. Maintaining the community's quality of life requires a strong and sustainable economic climate.

Other Economic Conditions Pertinent to Growth and Economic Development Opportunities

Revenue Base—Sales Tax and Property Tax

The revenue base of the City is another measure of the strength of the local economy. A strong revenue base supports necessary public facilities and services for an attractive place to live and work. Two major elements of the revenue base are taxable retail sales and the assessed valuation for property taxes. A review of

Shoreline’s taxable sales and assessed valuation compared with other cities yielded the following observations.

- Compared to the peer cities and King County, Shoreline has a relatively low revenue base. Among peer cities, Shoreline had the second lowest per capita taxable sales and second lowest per capita assessed valuation in 2010.
- Growth in assessed valuation has been moderate over the past decade, averaging a 6.7 percent annual increase. This could be due to a relative lack of new construction in comparison to a younger community, such as Marysville.
- Retail sales growth has averaged 1.5 percent annually. This is the second highest rate of increase among the peer cities and higher than King County as a whole.

Other Revenue Sources

Other sources of revenue for the City include the gambling tax, utility tax, permit fees, grants, impact fees, and other fees.

Gambling taxes are collected at a rate of 10 percent of gross receipts for card rooms in the city. Projected gambling tax revenue for 2012 equals 6 percent of the total forecasted general fund operating revenues. Thirteen percent of total forecasted general operating revenues are expected to come from the utility tax, and 8 percent from license and permit fees. This compares to 32 percent from property taxes, and 20 percent from sales taxes. The remaining revenue comes from contract payments, state and federal grants, and other sources.

Real Estate Market Conditions—Retail

Retail development meets two important economic development objectives. It provides the goods and services needed by residents

and businesses, and it provides a major source of tax revenue, which could take pressure off of property taxes to maintain levels of service desired by the community.

Retail sales in Shoreline have grown over the past decade, yet they are still lower than sales per capita in the peer cities used for comparison. While Shoreline is home to many retail establishments, there is a significant amount of sales “leakage” in some retail categories. Leakage refers to a deficit in sales made in the city compared with the amount of spending on retail goods by Shoreline residents. This leakage suggests that there are major retail opportunities in several areas, as shown below.

Percentage of Shoreline Resident Retail Dollars Spent Elsewhere (Leakage):

- Health and Personal Care Stores: 41.2 percent
- Clothing and Clothing Accessories Stores: 90.5 percent
- General Merchandise Stores: 71.2 percent
- Food Service and Drinking Places: 36.5 percent

Real Estate Market Conditions—Office

Shoreline has few office concentrations or multi-tenant office buildings and there is little or no new Class A office space in the city available to prospective tenants. New office development could provide locations for various service providers, as well as the management and support facilities for businesses with multiple outlets.

Real Estate Market Conditions—Residential

New residential development in Shoreline provides housing for the local workforce and creates new opportunities for families to live in the city. Permit activity for new residential development has been increasing since 2010. The Countywide Planning Policies

(CPPs) for King County set a target for the City of Shoreline to grow by about 200 housing units per year. A faster pace of new residential development than what has been occurring would be needed in Shoreline to achieve this goal, and to achieve the overall target of 5,800 additional housing units by 2035 (with the starting year of 2006). Market analysis completed for the subarea show a demand for residential use (see Section 3.1 for more information).

2012-2017 Economic Development Strategic Plan

The City of Shoreline's Office of Economic Development's Strategic Plan for 2012-2017 is summarized in Chapter 2 of this FEIS. The plan seeks to achieve sustainable economic growth by supporting placemaking projects. The plan acknowledges Shoreline's two planned station subareas as key economic development opportunities.

3.2.2 Analysis of Potential Impacts

Population, Housing, and Employment Forecasts for Each Alternative

Under all alternatives, the number of housing units and jobs would increase. All three action alternatives, Alternative 2—Connecting Corridors, Alternative 3—Compact Community, and Alternative 4—Compact Community Hybrid would substantially increase population, housing, and jobs in Shoreline at full build-out.

Any of the three action alternatives would assist the City in meeting housing and employment growth targets, consistent with the Countywide Planning Policies. Alternative 3—Compact

Community would provide the most capacity to achieve housing targets over time, while Alternative 2 would provide the most flexibility to achieve a variety of housing types across the subarea. Alternative 4 would provide less housing than Alternatives 2 or 3, but would still assist the City in meeting growth targets and providing a substantial increase in the diversity of its housing stock. Alternative 1 would have very limited ability to assist the City in meeting its housing growth targets or diversifying housing options in the community.

Alternative 2 would result in more jobs than Alternative 3 and Alternative 4. Alternative 4 would result in more jobs than Alternative 3. Any of the three action alternatives would provide substantially more job opportunities than Alternative 1—No Action.

Current population, housing units, and employment levels in the subarea are shown in **Table 3.2-12**. Forecasted growth in population, housing, and employment for each of the alternatives is summarized in more detail below and depicted in **Table 3.2-13**. The net change in population, housing units, and employment from current levels is shown in **Table 3.2-14**.

Alternative 1—No Action

Under Alternative 1, based on recent population and employment growth forecasts studied in the development of the City's Transportation Master Plan (TMP) Dispersed Model Option, population in the subarea would grow to approximately 11,040 people. Current population in the subarea is estimated at 8,321 people, so under Alternative 1—No Action, it is estimated that there would be an additional 2,719 people by 2035. The TMP

Dispersed Model Option anticipated future growth; however, the projection is likely an over-estimation given the existing land use capacity of the TAZs that encompass and extend beyond the subarea. The twenty-year (2035) population, housing units, and employee levels likely would be much less than projected in the TMP Dispersed Model Option. For planning purposes, however, the TMP Dispersed Model Option, was used as a conservative baseline.

Assuming an average of 2.4 people per household, there would be an estimated 4,600 housing units by 2035 under Alternative 1 assuming the TMP Dispersed Model Option as the baseline projection. This compares to a current level of 3,467 housing units, for an additional 1,133 housing units.

There would be an estimated 2,325 under Alternative 1—No Action over the current level of 1,595 jobs, for an additional 730 by 2035.

This anticipated growth in employment under Alternative 1—No Action would not be as effective in helping to address Shoreline’s target range of between 5,800 and 7,200 jobs by 2035 and achieving a better jobs-to-housing balance as the under any of the action alternatives. Most growth in employment would need to occur elsewhere in the city. A review of citywide zoning confirms that Shoreline does have the capacity elsewhere to accommodate the employment target range.

The Next Twenty Years

Over the next twenty years (by 2035), it is anticipated that any of the three action alternatives adopted would grow at the same estimated pace 1.5 percent to 2.5 percent. While all action alternatives would be expected to grow at the same pace, each

would reach build-out at differing timeframes based on the their individual growth capacities.

Over the next twenty years, under any of the action alternatives, it is anticipated that the population of the subarea would grow to between 11,207 and 13,635 people. This would be 2,886 to 5,314 above the current population in the subarea (including population within the TAZ boundaries that encompass and extend beyond the subarea).

A total of 4,670 to 5,681 housing units would be expected by 2035, as well as approximately 2,180 to 2,678 jobs under any of the three action alternatives. This would be a net increase in housing units of approximately 1,203 to 2,214 and an increase in jobs of approximately 585 to 1,083 over today’s levels.

Although the market assessment projected a demand for 500-800 or more housing units through 2035, this was a conservative estimate. If the subarea supported 25 percent of the city’s forecasted housing growth, the projection would be 1,450 additional units. There is also the potential that housing growth could occur more rapidly than projected given Seattle population growth in recent years. Zoning that provides more capacity for growth than projected provides flexibility to respond to market characteristics and homeowner preferences in the subarea.

The Next Twenty Years with Phasing Boundaries

With the potential adoption of a phasing boundary for any of the three action alternatives, growth and change would occur within the adopted Phase 1 boundary in effect through 2033. After 2033, growth and change could happen anywhere within the subarea based on adopted zoning. Potential phased zoning

boundaries for the three action alternatives are shown in the figures at the end of Section 3.1 of this FEIS. For each action alternative, the level of population, housing units, and employment reached by 2033 would be limited to the capacity of the Phase 1 zoning area, as shown in **Table 3.2-15**.

Alternative 4—Compact Community Hybrid

Under Alternative 4, the population would increase to approximately 32,367, with an estimated 13,486 housing units and 11,011 jobs in the station subarea at full build-out of proposed zoning. As such, this alternative would add potentially 24,046 people, 10,019 housing units, and 9,416 jobs in the subarea above current levels. It is anticipated that full build-out would take approximately 55 to 87 years (2071 to 2103) to be realized.

Alternative 3—Compact Community

Under Alternative 3, the population would increase to 36,647, and approximately 15,270 housing units and 9,639 jobs could be accommodated in the station subarea at full build-out of proposed zoning. As such, this alternative would add potentially 28,326 people, 11,803 housing units, and 8,044 jobs in the subarea above current levels. It is anticipated that full build-out would take approximately 63 to 98 years (2078 to 2113).

Alternative 2—Connecting Corridors

Under Alternative 2, the population would increase to 34,643 total at full build-out of the proposed zoning. Approximately 14,435 housing units and 11,747 jobs could be accommodated

within the station subarea at full build-out. As such, this alternative would add potentially 26,322 people, 10,968 housing units, and 10,152 jobs to the subarea above the current levels. It is anticipated that full build-out of Alternative 2—Connecting Corridors would take approximately 60 to 94 years (2075 to 2109).

Consistency with Housing and Employment Policies and Housing Choice Opportunities

Consistency with plans and policies is addressed in Section 3.1 of this FEIS. It is worth emphasizing in this section, however, that Alternative 3—Compact Community would provide the most long term housing choice opportunities, as well as the greatest potential for affordable housing because it would result in the most housing units at full build-out. Alternative 2 would have 835 fewer housing units, but because it spreads out over a more distant geography, Alternative 2 provides more flexibility in the potential to create a variety of housing options. Alternative 4 would have fewer housing units at build-out than Alternative 3 or Alternative 2. Alternative 1—No Action would have substantially fewer housing units than any of the three action alternatives at full build-out.

Table 3.2-12 Existing Population, Housing Unit, and Employment Estimates for the Subarea (2014 Data)

Estimated Totals for Subarea Based on Available GIS Data, 2014	
Population	8,321
Housing Units	3,467
Employees	1,595

Note: the current estimated total population of the City of Shoreline is 55,439 (2015).

Table 3.2-13 Estimated Twenty-Year and Build-Out Population, Housing Unit, and Employment Projections

	Alternative 1— No Action***	Alternative 2 Connecting Corridors	Alternative 3—Compact Community	Alternative 4—Compact Community Hybrid
2035 Population*	11,040	11,207 to 13,635	11,207 to 13,635	11,207 to 13,635
2035 Housing Units*	4,600	4,670 to 5,681	4,670 to 5,681	4,670 to 5,681
2035 Employees*	2,325	2,180 to 2,678	2,180 to 2,678	2,180 to 2,678
Build-Out Population	**	34,643	36,647	32,367
Build-Out Housing Units	**	14,435	15,270	13,486
Build-Out Employees	**	11,747	9,639	11,011
Build-Out Years	**	60 to 94 years 2075 to 2109	63 to 98 years by 2078 to 2113	55 to 87 years by 2071 to 2103

* Projections assume 1.5 percent to 2.5 percent annual growth rate for the action alternatives from the time the rezoning is adopted.

** For Alternative 1—No Action, only projections through 2035 were analyzed; the build-out timeframe is difficult to approximate/estimate.

***The 2035 projection for Alternative 1—No Action is based on the Transportation Master Plan (TMP) Dispersed Model Option, which is an over-projection given the existing land use capacity of the TAZs that encompass and extend beyond the subarea. The twenty-year (2035) population, housing units, and employee levels likely would be much less than projected in the TMP Dispersed Model.

Table 3.2-14 Projected Net Increases in Population, Housing Units, and Employment over Existing (2014) Levels

	Alternative 1— No Action	Alternative 2— Connecting Corridors	Alternative 3— Compact Community	Alternative 4— Compact Community Hybrid
2035 Population	+2,719	+2,886 to +5,314	+2,886 to +5,314	+2,886 to +5,314
2035 Housing Units	+1,133	+1,203 to +2,214	+1,203 to +2,214	+1,203 to +2,214
2035 Employees	+730	+585 to +1,083	+585 to +1,083	+585 to +1,083
Build-Out Population		+26,322	+28,326	+24,046
Build-Out Housing Units		+10,968	+11,803	+10,019
Build-Out Employees		+10,152	+8,044	+9,416

Table 3.2-15 Estimated Increases in Population, Housing Units, and Employment over Current (2015) Levels with Adoption of Phase 1 and Phase 2 Boundaries/Phase 1 and Phase as Subsets of Build-Out

	Alternative 2—Connecting Corridors	Alternative 3—Compact Community	Alternative 4—Compact Community Hybrid
Phase 1 (2033) Population	25,124	32,823	25,767
Phase 1 (2033) Housing Units	10,468	13,676	10,736
Phase 1 (2033) Employees	8,363	8,746	8,787
Phase 2 Additional Population	9,518	3,824	6,600
Phase 2 Additional Housing Units	3,967	1,594	2,750
Phase 2 Additional Employees	3,384	893	2,224
Build-Out Population	34,643	36,647	32,367
Build-Out Housing Units	14,435	15,270	13,486
Build-Out Employees	11,747	9,639	11,011

With adoption of any of the three action alternatives over time, there would be a much wider variety of housing types, a substantial increase in number housing units/households, and more diversity in household demographics in the subarea. The range of housing types should be affordable to a wider diversity of income levels. With proposed density and building heights that support mixed use development with housing over several stories, there is a high likelihood that a variety of for sale and for rent housing accommodations would be offered.

The City of Shoreline applies a variety of requirements and incentives to encourage affordable housing, and the City partners with other organizations to promote greater housing choice and affordability. One incentive includes the transportation impact fee ordinance adopted by City Council in August 2014 that included an exemption for affordable housing. Other incentives would include reduced parking requirements for affordable housing and bonus height/density allowances. Extending the City's current Property Tax Exemption incentive program (SMC Chapter 3.27) into the light rail station subareas also would encourage affordable housing, as the current program requires that at least 20 percent of the units be affordable. Refer to 3.2.3 for more detail about potential mitigation measures.

General Economic Development Opportunities

The greatest opportunities for residentially-driven economic development (more residents in the area spending at local businesses, shops, restaurants, etc.) would occur under Alternative 3 since it proposes the most housing units. The greatest opportunity for employment and jobs related economic development would occur under Alternative 2, because it would result in the most jobs overall of the three action alternatives.

However, the projected number of housing units, residents, and jobs under any of the action alternatives is significant. Adoption of one of the three action alternatives would help the City achieve its employment growth targets and improve its jobs-to-housing ratio. Increased population base and households would support funding for capital improvements and new development would provide jobs for residents of the neighborhood, Shoreline, and the region.

Under Alternative 1, economic development growth through increases in population and job opportunities at build-out of the current zoning would be minimal.

Property Values and Property Taxes

How implementation of light rail and rezoning might affect property values and property taxes in the subarea was a common question of existing homeowners during the subarea planning process.

The potential for a new transit station to increase land values for properties adjacent to it is a topic that has been researched extensively over the past two decades in conjunction with the construction of numerous light rail and heavy rail systems across the US, often in the context of determining a "value premium" that can be "captured" to contribute to system financing. While use of "value capture" for financing is not envisioned for the Lynnwood Link extension, the research that has been conducted on this topic provides information to address questions raised by Shoreline residents near the new station site as to what impact the station might have on their property values, and potentially their property taxes.

Value Premium Impacts

A substantial amount of research and analysis has been undertaken by policy experts to track and document the effects of fixed guideway transit systems (e.g., includes heavy rail and light rail) on property values. This topic has commanded so much attention because many policymakers believe that fixed guideway transit systems create a value premium, i.e. an increase in property values or related economic factors as a result of the increased access and desirability of the land served by the fixed guideway transit. If increased value can be linked to the transit investments, a portion of this increase sometimes has the potential to be “captured” up front in the transit development process, and converted to a funding source for public improvements that support the transit system. Numerous studies have used statistical models and other methods to examine whether premiums exist for real estate prices or lease rates near transit stops, particularly for commuter and light rail systems.

A summary of various fixed guideway transit value premium studies was published in 2008 by the Center for Transit Oriented Development, a non-profit organization associated with Reconnecting America. Entitled *Capturing the Value of Transit*, the publication reviews the concepts associated with this topic, and summarizes the findings of more than 20 analyses of the effect of fixed guideway transit on different land uses around the US. Many of these studies, in turn, identified a range of value premiums associated with fixed guideway transit, and utilized a variety of techniques to come to this conclusion.

A 1995 study, by Dr. John Landis at the University of California, Berkeley, found that values for single family homes within 900 feet of light rail stations in Santa Clara County were 10.8 percent lower than comparable homes located further away, and no value premium could be identified for commercial properties within one-half mile of BART stations in the East Bay of the San Francisco Bay Area. Compared to other research though, the potential for decrease in values is rare and likely influenced by other factors.

One of the most thorough analyses conducted after 2000, when contemporary fixed guideway transit systems had established their resurgence as a modern, desirable form of transportation in urban America, was conducted by Dr. Robert Cervero at the University of California, Berkeley. This study, a survey of other studies covering only housing value premiums associated with fixed guideway transit, found that among the seven locations analyzed (Philadelphia, Boston, Portland, San Diego, Chicago, Dallas, and Santa Clara County), value premiums ranged from 6.4 to over 40 percent. The authors concluded that value premiums depended on a variety of factors, including traffic congestion, local real estate market conditions, and business cycles.

Transit in Europe can also provide insight to ways of measuring value capture. A study of 15 light rail systems in France, Germany, the United Kingdom, and North America measured housing prices, residential rent, office rent, and property values in each of the cities, concluding that there was a positive value premium in all but two cities. These two cities initially experienced negative value impacts from fixed guideway transit due to the noise associated with the light rail system. Technological improvements

have since reduced noise levels and most modern light rail systems are fairly quiet.

One key aspect of the literature is the separation of fixed guideway transit's impacts on existing real estate versus its impacts on new development. In many situations, once a fixed guideway transit system is planned, local governments also increase zoning densities or implement policies that densify allowable development. This makes sense, because fixed guideway transit allows the movement of people without commensurate automobile traffic impacts. However, studies of value premiums often face the challenge of controlling the analysis for changes in zoning (to allow for denser development) and the effects of related development policies. Conversely, increases in allowable development through denser zoning, even in the absence of fixed guideway transit, will almost always result in a higher land value, because a developer can build more units on the same site under the increase in allowed density.

Based on the analysis of value premiums, and considering the range of outcomes for previous projects, it would be reasonable to assume a potential value premium ranging from five percent up to 10 percent for properties located within one-half mile of the new transit station (one-half mile is considered the point at which resident interest in walking to a transit station substantially decreases). This value premium would represent a one-time increase in values that would be associated with a new transit station, and would also capture the benefit of changes in zoning and other City implementation actions to encourage TOD projects.

Property Tax Impacts

An increase in property values does not result in a proportional increase in property taxes (e.g., a five percent increase in property value leading to a five percent increase in property taxes) due to the overlapping effects of three state constitutional and statutory measures:

- **One-Percent Constitutional Limit:** the State Constitutions limits the regular combined property tax rate for all agencies to one percent, except for voter approved levies for schools or other agencies (such as the increase in the tax rate approved by Shoreline voters in 2010);
- **Levy Increase Limit:** Taxing districts, such as cities, are limited to a levy limit (limit on increase in property tax revenues) of no more than one percent of prior year property tax revenues, except for increases due to new construction, annexation, or voter approved increases; and
- **Levy Amount Limit:** There is a statutory limit on the maximum total levy for various types of taxing districts. The current maximum amount for cities is 0.59 percent of assessed value, excluding any voter-approved additional levies.

King County reassesses properties to fair market value on an annual basis. However, because of the One-Percent Constitutional Limit and Levy Amount and Levy Increase Limits, an increase in property values and assessed values does not automatically lead to an equivalent increase in property taxes.

For example, each taxing district must on an annual basis adjust its levy (property tax) rate so that the increase in property taxes,

excluding new construction, annexations, or voter-approved increases, does not exceed one percent. Other adjustments to levy rates may need to be made to stay within the One-Percent Constitutional and Levy Amount limits.

As described previously, there may be a potential for a *one-time* increase of between five to ten percent in property values within one-half mile of the NE 145th Street Station. The one-time increase in property values would need to be evaluated against overall changes in Shoreline property values to determine how it would impact property taxes for homeowners around the new NE 145th Street Station. For example, if the new NE 145th Street Station leads to a five percent increase in value, but this occurs in a hot real estate market where property values are increasing at a faster rate on an annual basis, the increase in assessed values for properties around the station may be driven more by market conditions than the new transit station.

Only in a flat market could homeowners around the new station possibly experience a one-time increase in property tax rates that could approach the rate of increase in property values. It should be noted that any increase in property values represents an equal increase in homeowner equity.

Because of the complexity of the overlapping taxation limits, it is not possible to make a specific forecast for how much property taxes might increase around the station area.

For homeowners who might be severely affected by a property tax increase, King County operates several programs to assist homeowners who may face difficulty paying property taxes for

any reason. This includes a property tax exemption for senior citizens and disabled persons, based on household income, that freezes valuation and can create some exemptions from regular property taxes. Another program provides property tax deferrals for homeowners with limited income.

The State also provides a property tax deferral program, administered by county assessors, that allows for full or partial deferral of property taxes. Another State program provides means-tested direct grant assistance for property tax payments to seniors and disabled persons who are widows or widowers of veterans, which for eligible households could help offset an increase in property taxes if it occurs.

3.2.3 Mitigation Measures

Affordable Housing

With adoption of any of the action alternatives, there would be an ongoing need to require and encourage affordable housing in the subarea. The City has drafted specific policies and development provisions for the subarea plan related to affordable housing, provided below and on the following pages for reference.

Draft Subarea Plan Policies for Housing

The following policies are proposed for adoption as part of the 145th Street Station Subarea Plan.

- Develop and fund the systems necessary to implement and administer the City's affordable housing program.

- Investigate financing and property aggregation tools to facilitate creation of affordable housing.

Note: This policy should NOT be construed to mean use of eminent domain. It provides guidance to examine potential tools recommended by partner organizations, which were more complex than those adopted through Development Code regulations associated with the 185th Street Station Subarea Plan.

- Identify and develop relationships with owners of privately owned and federally assisted multi-family housing, which will lead to the retention of the long-term affordability of this housing stock.
- Develop a fee schedule or formula in SMC Title 3 to set the fee-in-lieu value for mandatory affordable housing, including ongoing maintenance and operation costs.

Development Code Provisions Related to Housing

The following Development Code provisions were adopted as part of the 185th Street Station Subarea Plan, and also would apply within zoning proposed for the 145th Street Station Subarea Plan. Because MUR-65' and MUR-85' were not zoning designations included in the 185th Street Station Subarea Plan, if Council were to adopt a zoning scenario that contained these designations, Code provisions would need to be amended.

20.20.010 A definitions.

Affordable Housing

Housing reserved for occupancy to households whose annual income does not exceed a given percent of the King County median income, adjusted for household size, and have housing

expenses no greater than thirty (30) percent of the same percentage of median income. For the purposes of Title 20, the percent of King County median income that is affordable is specified in SMC 20.40.235.

20.20.016 D definitions.

Dwelling, Live/Work

Live-work unit means a structure or portion of a structure: (1) that combines a commercial activity that is allowed in the zone with a residential living space for the owner of the commercial or manufacturing business, or the owner's employee, and that person's household; (2) where the resident owner or employee of the business is responsible for the commercial or manufacturing activity performed; and (3) where the commercial or manufacturing activity conducted takes place subject to a valid business license associated with the premises.

20.20.024 H definitions.

Housing Expenses, Ownership Housing

Includes mortgage and mortgage insurance, property taxes, property insurances, and homeowner's dues.

Housing Expenses, Rental Housing

Includes rent and appropriate utility allowance.

Household Income

Includes all income that would be included as income for federal income tax purposes (e.g. wages, interest income, etc.) from all household members over the age of eighteen (18) that reside in the dwelling unit for more than three (3) months of the year.

20.30.355 Development Agreement (Type L).

C. Development Agreement Contents for Property Zoned MUR-70' in order to achieve increased development potential: Each Development Agreement approved by the City Council for property zoned MUR-70' shall contain the following:

1. 20 percent of the housing units constructed onsite shall be affordable to those earning less than 70 percent of the median income for King County adjusted for household size for a period of no less than 50 years. The number of affordable housing units may be decreased to 10 percent if the level of affordability is increased to 60 percent of the median income for King County adjusted for household. A fee in lieu of constructing the units may be paid into the City's affordable housing program instead of constructing affordable housing units onsite. The fee is specified in SMC Title 3.

20.40.235 Affordable housing, Light Rail Station Subareas.

A. The purpose of this index criterion is to implement the goals and policies adopted in the Comprehensive Plan to provide housing opportunities for all economic groups in the City's Light Rail Station Subareas. It is also the purpose of this criterion to:

1. Ensure a portion of the housing provided in the City is affordable housing;
2. Create an affordable housing program that may be used with other local housing incentives authorized by the City Council, such as a multifamily tax exemption program,

and other public and private resources to promote affordable housing;

3. Use increased development capacity created by the Mixed Use Residential zones to develop voluntary and mandatory programs for affordable housing.

B. Affordable housing is permitted and voluntary in MUR-35', and required in MUR-45' and MUR-70'. The following provisions shall apply to all affordable housing units required by, or allowed through, any provisions of the Shoreline Municipal Code:

1. The City provides various incentives and other public resources to promote affordable housing.

C. Mixed Use Residential Zone Affordable housing requirements. The following provisions shall apply to all affordable housing units required by, or created through, any incentive established in the Shoreline Municipal Code unless otherwise specifically exempted or addressed by the applicable code section for specific affordable housing programs or by the provisions of an approved development agreement:

1. Duration: Affordable housing units shall remain affordable for a minimum of fifty (50) years from the date of initial owner occupancy for ownership affordable housing. At the discretion of the Director a shorter affordability time period, not to be less than thirty (30) years, may be approved for ownership of affordable housing units in order to meet federal financial underwriting guidelines.

2. Designation of Affordable Housing Units: The Director shall review and approve the location and unit mix of the affordable housing units, consistent with the following standards, prior to the issuance of any building permit:
 - a. Location: The location of the affordable housing units shall be approved by the City, with the intent that they are generally mixed with all other dwelling units in the development.
 - b. Tenure: The tenure of the affordable housing units (ownership or rental) shall be the same as the tenure for the rest of the housing units in the development.
 - c. Size (Bedroom): The affordable housing units shall consist of a range of the number of bedrooms that are comparable to the units in the overall development.
 - d. Size (Square Footage): Affordable housing units shall be the same size as market housing units with the same number of bedrooms unless approved by the Director. The Director may approve smaller units when: (a) the size of the affordable housing is at least ninety (90) percent of the size of the market housing in the project with the same number of bedrooms; and (b) the affordable units are not less than five hundred (500) square feet for a studio unit, six hundred (600) square feet for a one (1) bedroom unit, eight hundred (800) square feet for a two (2) bedroom unit and one thousand (1,000) square feet for a three (3) bedroom unit.
3. Timing/Phasing: The affordable housing units shall be available for occupancy in a time frame comparable to the availability of the rest of the dwelling units in the development unless the requirements of this section are met through SMC 20.40.235(E), Alternative compliance. The affordable housing agreement provided for in SMC 20.40.235(D) shall include provisions describing the phasing of the construction of the affordable units relative to construction of the overall development. If the development is phased, the construction of the affordable units shall be interspersed with the construction of the overall development.
4. Development Standards:
 - a. Off-Street Parking: Off-street parking shall be provided for the affordable housing units consistent with SMC 20.50.390 unless reduced by the Director in accordance with SMC 20.50.400.
 - b. Recreation Space: The recreation/open space requirements for housing units affordable to families making 60% or less of Adjusted Median Income for King County shall be calculated at fifty (50) percent of the rate required for market housing.

Specific regulations providing for affordable housing are described below:

Location	Use	Targeted Affordability Level and Incentives	Mandatory or Voluntary Program
Mixed Use Residential –MUR-70’	Residential	<p>20% of rental units are affordable to families making 70% or less of the median income for King County adjusted for household size; or</p> <p>10% of rental units are affordable to households earning 60% or less of the median income for King County adjusted for household size.</p> <p>Incentives: May be eligible for 12-year property tax exemption (PTE) upon authorization by City Council; and entitlement of 70 ft. height and no density limits.</p>	Mandatory*
Mixed Use Residential – MUR-45’	Residential	<p>15% of rental units are affordable to households earning 60% or less of the median income for King County adjusted for household size.</p> <p>15% of all for sale/individual ownership units are affordable to households earning 80% or less of median income for King County adjusted for household size.</p> <p>Incentives: May be eligible for 12-year property tax exemption (PTE) and permit fee reduction upon authorization by City Council; entitlement of 45 ft. and no density limits.</p>	Mandatory*

Mixed Use Residential –MUR-35'	Residential	<p>10% of rental units are affordable to families making 60% or less of the median income for King County adjusted for household size. 10% of all for sale/individual ownership units are affordable families making 80% or less of the median income for King County adjusted for household size.</p> <p>Incentives: May be eligible for 12-year property tax exemption (PTE) upon authorization by City Council; and no density limits.</p>	Voluntary
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* Payment in lieu of constructing mandatory units is available. See SMC 20.40.235(E)(1)

5. Depending on the level of affordability provided the affordable housing units may be eligible for transportation impact fee waivers as provided in SMC 12.40.070(G).

6. In the event of a fractional affordable housing unit, payment in lieu in accordance with SMC 20.40.235(E)(1) is allowed for the fractional unit.

D. Affordable housing agreement. An affordable housing agreement shall be recorded with the King County Recorder’s Office prior to the issuance of a building permit for any development providing affordable housing pursuant to the requirements or incentives of the Shoreline Municipal Code.

1. The recorded agreement shall be a covenant running with the land and shall be binding on the assigns, heirs and successors of the applicant.
2. The agreement shall be in a form approved by the Director and the City Attorney and shall address price

restrictions, homebuyer or tenant qualifications, affordability duration, phasing of construction, monitoring of affordability, and any other topics related to the provision of the affordable housing units.

3. The agreement may, at the sole discretion of the City, establish a monitoring fee for the affordable units. The fee shall cover the costs to the City to review and process documents to maintain compliance with income and affordability restrictions of the agreement.
4. The City may, at its sole discretion, agree to subordinate any affordable housing regulatory agreement for the purpose of enabling the owner to obtain financing for development of the property.

E. Alternative compliance. The City’s priority is for residential and mixed use developments to provide the affordable housing on site. The Director, at his/her discretion, may approve a request for satisfying all or part of a project’s on-site affordable housing with alternative compliance methods proposed by the applicant.

Any request for alternative compliance shall be submitted at the time of application and must be approved prior to issuance of any building permit. Any alternative compliance must achieve a result equal to or better than providing affordable housing on site.

1. Payments in lieu of constructing mandatory affordable housing units are subject to the following requirements:
 - a. Payments in lieu of constructing for sale/individual ownership units shall be based on the difference between the price of a typical market rate unit, and the price an income constrained household as defined in SMC 20.40.235(B)(1) can pay for the same unit adjusted for household size. Payments in lieu of construction for rental units shall be based on the present net value of the difference between the market and affordable rents as defined in SMC 20.40.235(B)(1) for the same units adjusted for household size. The fee shall be updated in the fee ordinance as part of the City's budget process.
 - b. The payment obligation shall be due prior to issuance of any certificate of occupancy for the project. Collected payments shall be deposited in the City's Housing Trust Fund account.
2. Any request for alternative compliance shall:
 - a. Include a written application specifying:
 - i. The location, type and amount of affordable housing; and
 - ii. The schedule for construction and occupancy;

b. If an off-site location is proposed, the application shall document that the proposed location:

- i. Is within a ¼ mile radius of the project triggering the affordable housing requirements or the proposed location is equal to or better than providing the housing on site or in the same neighborhood;
- ii. Is in close proximity to commercial uses, transit and/or employment opportunities;

c. Document that the off-site units will be the same type and tenure as if the units were provided on site; and

d. Include a written agreement, signed by the applicant, to record a covenant on the housing sending and housing receiving sites prior to the issuance of any construction permit for the housing sending site. The covenants shall describe the construction schedule for the off-site affordable housing and provide sufficient security from the applicant to compensate the City in the event the applicant fails to provide the affordable housing per the covenants and the Shoreline Municipal Code. The intent is for the affordable housing units to be provided before, or at the same time as, the on-site market housing. The applicant may request release of the covenant on the housing sending site once a certificate of occupancy has been issued for

the affordable housing on the housing receiving site.

20.40.245 Apartments

Apartments are allowed in the MUR zones. Microapartments are not allowed in the MUR zones. Microapartments are defined as a structure that contains single room living spaces with a minimum floor area of 120 square feet and a maximum floor area of 350 square feet. These spaces contain a private bedroom and may have private bathrooms and kitchenettes (microwaves, sink, and small refrigerator). Full scale kitchens are not included in the single room living spaces. These single room living spaces share a common full scale kitchen (stove, oven, full sized or multiple refrigeration/freezers), and may share other common areas such as bathroom, shower/bath facilities, and recreation/eating space.

Refer to Title 20 Development Code of the Shoreline Municipal Code, and in particular 20.30 General Development standards for additional information pertaining to regulations for housing and mixed use development.

Other Recommended Mitigation Measures

- The City would continue to monitor and support economic development opportunities in the subarea.
- The City would explore public/private and public/public partnerships for redevelopment that might help to encourage and catalyze growth.
- The City would prioritize investment of capital improvements related to transportation, infrastructure,

public parks, and other facilities in the subarea to support growth for the next twenty years and over the long term.

3.2.4 Significant Unavoidable Adverse Impacts

Implementation of any of the three action alternatives, Alternative 2—Connecting Corridors, Alternative 3—Compact Community, or Alternative 4—Compact Community Hybrid, would provide increased opportunities for housing, including affordable housing and a variety of housing choices to fit various income levels. Redevelopment also would create jobs and economic development opportunities over time. These increases would help the City in achieving its established growth targets and improving the jobs-to-housing ratio.

Overall at full build-out, Alternative 3 would provide the most housing opportunities, and Alternative 2 would provide the most employment opportunities. Alternative 4 would provide more job opportunities than Alternative 3, but less housing units than either Alternative 2 or 3.

With the planned growth in the subarea, some single family homeowners may decide to move because of concerns over how the neighborhood may change over time. Potential increases in property values could benefit them in this process. On the other hand, if property taxes increase, this could be an added burden on some residents.

Overall with the gradual pace of growth expected, continual monitoring of conditions in the subarea by the City, and

implementation of the mitigation measures, significant adverse unavoidable impacts would not be anticipated.

The concern with implementing Alternative 1—No Action would be that it is not consistent with adopted goals, policies, and objectives at the state, regional, and local levels to support growth management and integrated land use and transportation planning in high-capacity station areas. Adoption of Alternative 1 would not support meeting City growth targets or objectives related to affordable housing in the community or improving the jobs-to-housing ratio.

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